

Message Text

CONFIDENTIAL

PAGE 01 STATE 237946

47

ORIGIN EUR-25

INFO OCT-01 ISO-00 EB-11 H-03 DODE-00 NSC-10 SS-20 SSO-00

NSCE-00 USIE-00 CIAE-00 PM-07 INR-10 L-03 NEA-10

NSAE-00 PA-04 RSC-01 PRS-01 SPC-03 TRSE-00 SAJ-01

OMB-01 IO-14 COME-00 INRE-00 /125 R

DRAFTED BY EUR/RPM:GBCHRISTIANSON:HR

APPROVED BY E:WCASEY

PM/ISP:JGRAHAM

H:SANDERSON

EB:JCHEATHAM

OSD/ISA:ACHAPA

EUR/RPM:EJSTREATOR

EUR/RPM:WROMINE

EUR:GSSPRINGSTEEN

EUR/CE:LHEICHLER

TREAS:GNENSEL/RBEAN

NSC:BHUBERMAN

S/S-MR MILLER

PM:LSLOSS

----- 040524

O 051704Z DEC 73

FM SECSTATE WASHDC

TO ALL NATO CAPITALS IMMEDIATE

INFO USMISSION NATO IMMEDIATE

C O N F I D E N T I A L STATE 237946

E.O. 11652: GDS

TAGS" MCAP, EFIN, NATO

SUBJECT: JACKSON-NUNN AMENDMENT

REFS: A. STATE 231357

B. STATE 231268

C. BONN 17030 NOTAL

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 237946

1. EMBASSY BONN SHOULD TRANSMIT PARAS 2-6 OF REF A TO

AMBASSADOR HERMES AS RECOMMENDED IN REF C SUBSTITUTING
FOLLOWING NEW TEXTS FOR PARAS 4, 5 AND 6:

"4. THE PRESIDENT SIGNED THE BILL INTO LAW
ON NOVEMBER 16. THE LANGUAGE OF THE AMEND-
MENT THEREFORE GIVES UNTIL MAY 16, 1975 TO
OFFSET OUR BOP EXPENDITURES FOR FY 1974.
ON THE INTERPRETATION THAT THE AMENDMENT
MEANS THAT THE OFFSET PERIOD BEGINS
SIMULTANEOUSLY WITH THE EXPENDITURE
PERIOD (I.E., ON JULY 1, 1973), THIS
COULD BE INTERPRETED TO GIVE THE ALLIES
MORE THAN TWENTY-TWO MONTHS TO OFFSET
TWELVE MONTHS' EXPENDITURES. HOWEVER,
IT IS THE ADMINISTRATION'S INTERPRETATION
THAT THE ONLY SOUND BASIS FOR WORKING OUT
A DURABLE SOLUTION TO THE PERENNIAL U.S.
MILITARY BOP PROBLEM IN EUROPE IS TO

PLAN ON 'OFFSET PERIODS' NO LONGER
THAN THE 'EXPENDITURE PERIODS' WHICH
THEY ARE DESIGNED TO COVER."

"5. AS FOR THE JACKSON-NUNN DEFINITION
OF OUR MILITARY BOP EXPENDITURES, THE
LEGISLATIVE HISTORY OF THE AMENDMENT
MAKES CLEAR THAT THE ALLIES ARE NOT
BEING ASKED TO OFFSET OUR EXPENDITURES
FOR NON-NATO-RELATED U.S. MILITARY
ACTIVITIES IN EUROPE. THE TWO SENATORS
WERE CAREFUL TO STRESS DURING THE
DEBATE ON THEIR AMENDMENT THAT THEY
DID NOT MEAN TO INCLUDE COSTS ASSOCIATED
WITH OUR STRATEGIC DETERRENT, FOR EXAMPLE.
WE DO NOT YET HAVE A FIRM FIGURE AS TO
WHAT PART OF OUR FORCES IN EUROPE ARE
NOT NATO-RELATED."

"6. THE JACKSON-NUNN AMENDMENT SPECI-
FIES THAT THE BALANCE OF PAYMENTS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 237946

DEFICIT TO BE OFFSET IS TO BE DETERMINED
BY THE SECRETARY OF COMMERCE IN CON-
SULTATION WITH THE SECRETARY OF DEFENSE
AND THE COMPTROLLER GENERAL OF THE
UNITED STATES (THE COMPTROLLER GENERAL
IS AN AGENT OF CONGRESS, NOT OF THE
EXECUTIVE BRANCH). THE AMENDMENT DOES
NOT, HOWEVER, DEFINE THE NATURE OF THE

TRANSACTIONS WHICH MAY BE INCLUDED IN THE BILATERAL AND MULTILATERAL ARRANGEMENTS AS OFFSET PAYMENTS. THE TASK OF DETERMINING THE PAYMENTS WHICH CAN BE INCLUDED AS OFFSET IS UNDERWAY IN THE EXECUTIVE BRANCH."

2. AMBASSADORS OR CHARGES IN OTHER NATO CAPITALS SHOULD ALSO PROVIDE TEXT OF THOSE PARAGRAPHS, AS AMENDED ABOVE, TO HOST GOVERNMENTS AS PART OF DEMARCHE REQUESTED REF B IN CONNECTION WITH PROPOSAL TABLED BY AMBASSADOR RUMSFELD ON NOVEMBER 29. IN DISCUSSING JACKSON-NUNN, YOU SHOULD EMPHASIZE THAT PRESIDENT IS REQUIRED TO SUBMIT TO CONGRESS WITHIN 90 DAYS OF ENACTMENT (I.E., FEBRUARY 16), AND EVERY 90 DAYS THEREAFTER, A WRITTEN REPORT ON THE PROGRESS MADE IN IMPLEMENTING THE PROVISIONS OF THE AMENDMENT. IF WE ARE TO SECURE COOPERATION AND UNDERSTANDING OF KEY MEMBERS OF CONGRESS IN APPLYING JACKSON-NUNN, WHICH CONTAINS MANY AMBIGUITIES STILL TO BE

INTERPRETED, IT IS IMPORTANT THAT PRESIDENT BE ABLE TO CITE SUBSTANTIAL PROGRESS IN HIS FIRST REPORT TO CONGRESS. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE LAW, ARMED FORCES, MILITARY EXPENDITURES, MILITARY BUDGET, FOREIGN POLICY POSITION, FINANCIAL CONTRIBUTIONS, COLLECTIVE SECURITY AGREEMENTS, MILITARY PLANS, BUDGET ESTIMATES, BALANCE OF PAYMENTS POLICIES
Control Number: n/a
Copy: SINGLE
Draft Date: 05 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: hilburpw
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE237946
Document Source: CORE
Document Unique ID: 00
Drafter: GBCHRISTIANSON:HR
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731243/aaaabfoh.tel
Line Count: 138
Locator: TEXT ON-LINE
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: A. STATE 231357
Review Action: RELEASED, APPROVED
Review Authority: hilburpw
Review Comment: n/a
Review Content Flags:
Review Date: 22 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22-Aug-2001 by elyme>; APPROVED <24-Sep-2001 by hilburpw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JACKSON-NUNN AMENDMENT
TAGS: MCAP, EFIN, PFOR, US, NATO
To: NATO POSTS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005